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CONTENTS

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DENMARK'S TOBACCO IMPORTS UP SLIGHTLY IN FIRST HALF, '55

Denmark's imports of unmanufactured tobacco during the first 6 months of 1955 totaled 9.1 million pounds -- up 2.3 percent from the 8.9 million pounds imported during the corresponding period of 1954.

Denmark: Imports of unmanufactured tobacco for the January-June periods, 1954-55

Country of Origin	January-June 1954	January-June 1955	Percent change from January-June 1954
	1,000 pounds	1,000 pounds	
United States	4,007	4,092	+ 2.1
Brazil	1,201	1,998	+ 66.4
Indonesia	1,476	1,207	- 18.2
Other European Countries 1/	132	170	+ 28.8
Other Foreign Countries 1/	2,136	1,660	- 22.3
Total	8,952	9,127	2.3

1/ Breakdown by country not available.

Source: Denmark's Statistik-Vareomsaetningen Med Udlandet, June 1955.

Imports of unmanufactured tobacco from the United States showed a small increase of 2.1 percent for the January-June period 1955 over the like period in 1954.

A noticeable increase, 66.4 percent, is noted in imports from Brazil for the January-June period of 1955, when 2.0 million pounds were imported as compared with 1.2 million in the similar period of 1954.

FOREIGN CROPS AND MARKETS

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INDIAN TOBACCO EXPORTS UP 4 PERCENT

Indian exports of unmanufactured tobacco during the 1954-55 fiscal year totaled 74.0 million pounds -- up 4 percent from the 71.1 million pounds exported during the previous April-March fiscal year.

The United Kingdom continued to be the principal export market taking 31.1 million pounds as compared with 30.1 million pounds for the corresponding fiscal year. Consignments to China increased from 1.6 million pounds in 1953-54 to 10.1 million pounds in 1954-55, following the sales of 13.4 million pounds negotiated by the Indian trade delegation during its tour of the Far East.

Other countries increasing their takings of Indian leaf included Aden, Hong Kong, West Pakistan, Australia, Egypt, Burma, Austria, Denmark, France, the Republic of Germany, and Portugal. Shipments to the Soviet Union, which was an important export outlet for Indian leaf in previous years, were nil during the last 2 fiscal years. Other countries reducing their takings of Indian leaf during fiscal 1954-55 included Belgium, the Netherlands, Japan, Finland, Sweden, Ceylon, Eastern Pakistan, Switzerland, and Ireland.

BRITISH HONDURAS CONDUCTS TOBACCO EXPERIMENTS

According to an annual report from the Agricultural Department of British Honduras, the services of a Tobacco Officer have been obtained by the Department for the purpose of conducting experiments with various types and varieties of tobacco to ascertain whether leaf tobacco of satisfactory quality can be produced in the country. Tests are being conducted with both cigar and flue-cured varieties.

Preliminary results with cigar types indicate that one variety has produced leaf with satisfactory surface and thinness for wrapper tobacco, although apparently lacking in burning quality. However, available facilities did not permit proper fermentation and it is possible that the burn might prove to be somewhat better when the leaf is properly fermented.

Tests with flue-cured tobacco are being conducted in the Orange Walk area where soils appear to be suitable for this type. Two flue-curing barns have been erected and six acres of this type were planted late in the 1954-55 season. If leaf of satisfactory quality can be produced economically it might permit the cigarette factory at Belize, which imports the bulk of its requirements, to reduce its purchases from outside sources.

Prior to the experiments with improved types, the tobacco grown locally was dark air-cured leaf of low quality. Total output of this tobacco is relatively insignificant, with very little entering commercial channels.

CANADIAN TOBACCO EXPORTS UP
17 MILLION POUNDS IN FIRST HALF, '55

Canadian exports of unmanufactured tobacco in first half 1955 totaled 40.7 million pounds -- up 72.1 percent from the 23.7 million pounds exported during the corresponding period in 1954. Flue-cured accounted for 93 percent of the total, stems and cuttings 4 percent, with most of the remainder Burley.

Canada: Exports of unmanufactured tobacco
for the January-June periods, 1953-55

Country of Destination	1953	1954	1955
	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	10,343	19,355	34,311
British West Indies	1,538	1,362	1,540
Other Empire	1,520	2,205	2,680
Foreign	159	735	2,182
Total	13,560	23,657	40,713

Source: Dominion Bureau of Statistics, June 1955.

Shipments to the United Kingdom increased 15.0 million pounds over the January-June period of 1954. Takings of Canadian leaf by the other Commonwealth countries increased about 700,000 pounds.

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BELGIAN TOBACCO IMPORTS UP
3.5 PERCENT IN FIRST HALF, '55

The pattern of imports of unmanufactured tobacco into Belgium for the January to June period of 1955 follows closely that for January to March. For the 6-month period, imports totaled 23.6 million pounds and were up 3.5 percent over the same period of 1954.

Imports of United States leaf for the first half of 1955, as compared to same period a year ago, declined 2.3 percent. This downward trend in imports of United States leaf began in 1951. Imports from the Netherlands (re-exports), Rhodesia, Greece, and Italy increased noticeably.

ARGENTINA'S 1955-56 CEREALS SUPPORT PRICES SAME AS FOR LAST YEAR

The Argentine government has announced that the officially guaranteed prices for the new season's wheat, rye, oats, and barley crops, harvesting of which begins in December, and for the new corn crop, harvesting of which begins next April, will remain the same as those guaranteed for the crops of the preceding season. This will be the third season in which the guaranteed prices have remained unchanged from the levels of the preceding season.

The prices in pesos per 100 kilograms, with equivalents in dollars per bushel shown in parentheses, follow: wheat - 50 ($2.72 per bushel); oats - 38 ($1.10 per bushel); barley - 43 ($1.87 per bushel); rye - 42 ($2.13 per bushel; and corn - 45 ($2.29 per bushel). These are the prices at which the Government's grain purchasing and selling monopoly (Instituto Argentina de Promocion del Intercambio) buys grains from the farmers.

Argentine farmers are disappointed over the decision of the Government not to grant the increases in grain prices which they had requested and expected. One reason advanced for not granting the increases was to check inflation. Another was that declines in world grain prices had shifted the Government's grain export operations from a profit to a loss basis. A recent Argentine sale of wheat for export was reported at $61 per metric ton ($1.66 per bushel), which is $1.06 per bushel less than the support price at which it was purchased by the Government.

Argentine grain growers complain that their costs have risen considerably since 1952-53, while prices paid by IAPI have remained stationary. As a result, their net income has declined considerably. The anticipated continuation of the decline in farm income during 1955-56, owing to failure of the Government to raise its prices for the new crop, is expected to render attainment of the 1957 acreage and production goals very uncertain. This goal was fixed in the government's Five-Year Plan adopted in 1952-53. As indicated in the following table, the area in each of the five grains, except rye, has thus far increased very little over the 1946-47 to 1950-51 average upon which the Plan was based. The area in wheat has, in fact, decreased.

Areas Sown to Grain in Argentina for Stated Periods and 1957 Targets

Grain	Average 1937-38 to 1939-40	Average 1946-47 to 1950-51	1952-53	1953-54	1954-55	Targets for 1957
	Thousands of hectares					
Wheat	8,073.9	6,035	6,065	6,354	5,937	8,000
Corn	6,188.6	2,843	3,354	3,268	3,013	7,000
Oats	1,468.1	1,365	1,702	1,500	1,376	1,900
Barley	795.4	1,012	1,108	1,085	1,090	1,400
Rye	1,034.6	1,919	2,483	2,445	2,493	2,800

1 hectare = 2.471 acres.

Republic of Germany imports of grain from France and other countries during stated periods

Grain and Origin	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55 11 mos.only
	----- Metric Tons -----					
Wheat						
France	14,068	289,304	49,875	130,634	319,161	386,269
Algeria	---	98	---	---	---	---
Tunisia	---	---	293	---	---	10,477
Morocco	---	---	---	---	---	14,667
Others	2,587,614	2,013,036	2,177,937	2,156,212	2,068,174	2,335,750
Total	2,601,682	2,302,438	2,228,105	2,286,846	2,387,335	2,747,163
Flour						
France	---	19,806	17,261	---	---	---
Others	14,586	89,852	52,587	2	15	641
Total	14,586	109,658	69,848	2	15	641
Rye						
France	---	28,795	336	510	---	---
Algeria	---	---	560	---	---	1,613
Morocco	---	---	21	4	---	---
Others	724,910	146,267	299,327	278,951	92,720	198,448
Total	724,910	175,062	300,244	279,465	92,720	200,061
Corn						
France	---	---	---	---	---	---
Indochina ..	---	15,560	22,584	---	---	---
Morocco	---	---	199	6,403	16,058	---
Algeria	---	1,146	---	---	---	---
Tunisia	---	49	---	---	---	---
Others	671,635	447,958	505,730	256,835	482,643	631,640
Total	671,635	464,713	528,513	263,238	498,701	631,640
Oats						
France	2,216	22,615	40	600	151	---
Algeria	---	10,046	---	---	---	1,786
Tunisia	---	2,664	---	---	---	---
Morocco	---	31,009	3,303	151	---	3,998
Others	120,732	43,252	168,500	29	51,936	158,509
Total	122,948	109,586	171,843	780	52,087	164,293
Barley						
France	188,877	2,155	---	---	---	25,721
Algeria	---	43,898	449	19,771	4,212	32,950
Tunisia	---	24,395	---	4,911	---	1,415
Morocco	---	106,414	54,904	127,840	90,934	245,324
Others	152,547	50,420	680,659	1,151,705	495,555	1,499,420
Total	341,424	227,282	736,012	1,304,227	590,701	1,804,830

FRANCO-GERMAN AGREEMENT SOLIDIFIES
OUTLET FOR FRENCH GRAIN

Under terms of the Franco-German trade agreement signed in Paris August 5, 1955, the Republic of Germany is obligated to permit the import of 500,000 metric tons of bread grains, primarily wheat, and 200,000 tons of coarse grains, mainly barley, from France and the French Possessions during the 12-month period October 1955-September 1956. The agreement covers a 3-year period ending September 30, 1958. The import quotas for the last 2 years of the agreement are to be fixed by a Mixed Commission in subsequent meetings, the first one to take place in September 1956. In principle, however, the quotas for those 2 years are not to be reduced below the indicated 1955-56 level.

The German Republic's grain import obligations under the Agreement solidify in quotas the upward trend which has taken place in the country's imports from France and the French Possessions in recent years. With respect to bread grains, the new agreement obligates the German Republic to take 52,000 tons more from the French area in 1955-56 than its estimated imports from that area in 1954-55. With respect to coarse grains, the 1955-56 commitment for 200,000 tons is 122,000 tons less than the estimated imports from the same area during the preceding year.

A sharp upward trend has taken place just during the past few years in the German Republic's imports of grain from France and the French Possessions. During 1951-52, for example, the country's imports from those sources amounted to 74,900 tons of bread grains (grain equivalent) and 81,500 tons of coarse grains. Imports from the same sources increased to 131,100 tons of bread grains and to 159,700 tons of coarse grains in 1952-53, and to 319,200 tons of bread grains and 312,800 tons of coarse grains in 1953-54.

Official figures on 1954-55 grain imports by the Republic of Germany are available only for the first 11 months (July-May) of the year. Preliminary estimated indicate, however, that the country's imports from France and the French area during the entire 12 months of the year amounted to 447,800 tons of bread grains (444,700 tons of wheat and 3,100 tons of rye) and 321,900 tons of coarse grains (316,100 tons of barley and 5,800 tons of oats).

The German Republic's annual commitment to import 500,000 tons of French bread grains under the new agreement is the same as the import quota provided for in the agreement between the two countries signed January 14, 1955. However, the annual import commitments for 500,000 tons of bread grains and 200,000 tons of feed grains under the new agreement are double those accepted by Germany under the agreement with France signed January 14, 1954.

See table, opposite page.

PAKISTAN RAISES EXPORT
DUTY ON JUTE AND MESTA

The Government of Pakistan raised the duty on exports of raw jute and mesta fiber, effective August 23, 1955, by the equivalent of roughly 1/4 cent a pound. The new duty rate is 5 rupees per bale, or about 0.26 cent a pound, on cuttings and 20 rupees per bale, or 1.05 cents a pound, on all other descriptions.

Devaluation of the rupee on the first of August caused uncertainty in the market. Both Indian and Continental buyers expected to be able to obtain supplies at a lower price, but the Jute Board decided to retain the existing minimum export prices in order to protect the cultivator rather than the shipper. The timing of devaluation was reported to have been planned with this purpose in mind. The market became dull at the height of the August floods, and since then has shown some buyer resistance from overseas.

The minimum export prices included duties. The recent increase in duty undoubtedly will have to be absorbed by the shippers, unless they in turn force down local prices.

The final report of jute export statistics by the Pakistan Jute Association shows total exports of jute during the year ended June 30, 1955, at 2,031 million pounds. Arrivals of Pakistani jute in Calcutta mills was reported at 492 million pounds and overseas shipments were 1,539 million pounds.

Pakistani ports handled the bulk of overseas shipments with 815 million pounds exported by way of Chalna, 723 million by way of Chittagong, and less than 1.5 million by way of Calcutta in bond. As would be expected, all ports handled more jute in the first 6 months of the fiscal year, when the new crop was coming into the market, than in the second 6 months. November was the peak month, and shipments began to decrease considerably by March and April.

The most important overseas markets were in the United Kingdom, Germany, Belgium, France, the United States, and Italy, with 312, 217, 188, 176, 130, and 104 millions of pounds, respectively. Other European countries accounted for 172 million pounds.

Carry-over supplies into the 1954-55 year were reported as almost negligible. Estimates of the 1954 crop were reported variously from the official estimate of 1,083 million pounds to as high as 2,400 million estimated by some trade sources. It appears that the actual crop must have been nearly twice as large as was officially estimated late in 1954.

ARGENTINA, CHIE AGREE ON LIVESTOCK EXPORT QUOTA

Argentina and Chile have finally agreed on a quota for cattle and sheep to be exported to Chile for calendar year 1956. According to a recent announcement by the Chilean Ministry of Foreign Affairs, 37,000 head of cattle and 100,000 head of sheep will enter at specific entrance zones. The price per head for cattle will be $110, except those from Mendoza which are set at $75 per animal. Sheep are listed at $7 per head (20,000 head) for those north of the 46th parallel. The balance are quoted at $9 per animal for cull ewes and rams with wethers at $7. Movement of all animals through the Gordollera must terminate by November 30, 1956. Although the agreement was expressed in terms of U.S. dollars, these transactions are being made at a special rate of exchange of 200 Chilean pesos per U. S. dollar.

NETHERLANDS MEAT PRODUCTION RISES

During 1955 total hog slaughter in the Netherlands will probably be close to 4 million head, an increase of over 600,000 since 1954. The Dutch meat trade considers the market prospect to be satisfactory, but the marketing of lard and fatbacks may run into some difficulty later in the year.

The number of animals slaughtered for domestic consumption or processing during first half 1955 was slightly larger than during the corresponding 1954 period. During first half 1955 total meat production was 614 million pounds, 7 percent larger than a year earlier.

A marked increase was noted in the number of hogs slaughtered for domestic use. During second half 1955 a total of 1,776,051 hogs were slaughtered and approved for home and export consumption, compared with 1,628,993 a year ago.

Imports of slaughter animals, except sheep, during first half 1955 were lower than during the comparable 1954 period. Imports of beef offals were considerably lower than a year ago. The United States remained the main source for beef tongues. Imports of hog offals and pork increased.

Cattle exports continued to be very favorable, as were export sales of breeding and slaughter hogs. Exports to Spain of 308 sheep for breeding may open other markets. Exports of meat and offal totaled 1,825 million pounds, 50 million more than a year ago. Sales of processed meats during first half 1955 dropped to 57 million pounds from 73 million pounds mainly because of smaller shipments of canned hams to the United States and reduced shipments of luncheon meats to the United Kingdom.

DOMINICAN IMPORTS OF U.S. LARD CEASE

Imports of lard from the United States into the Dominican Republic have virtually ceased. So far this year only 150 pounds has been imported from the United States, compared with 39,000 during 1954 and 148,000 pounds in 1953. As late as 1952 imports from the United States totaled 866,000 pounds, before self-sufficiency policies of the Dominican Republic began taking effect. The United States supplied much of its import requirements.

There are several reasons for the decline in exports to the Dominican Republic. Chief among these is the high tariff that currently is equivalent to 15 cents per pound. This is much more than the current United States wholesale price.

The Dominican Republic has a program for fostering the development of peanut husbandry. Under this program a government corporation has been giving away free seed; and selling such items as fertilizers and herbicides at reduced rates; and leasing farm machinery at minimal rentals.

Under these conditions consumers have been forced to develop a preference for lard substitutes, particularly peanut oil, because lard has not been available. (see Foreign Crops and Markets, September 19, 1955).

LARD PRICES HIGH IN CHILE

In earlier years American brands of lard were popular in Chile, due to their superior quality. However, since the war, the lower cost of Argentine lard and the trade agreement with Argentina have tended to drive the United States product from the market.

An agreement with Argentina places importation of lard by Chile under type A-1. This classification provides for free import upon authorization by the Banco Central, and specifies that dollars for these imports can be obtained without the usual import license.

All recent imports have come from Argentina. These reached a high in 1954 of 13½ million pounds, compared with only 1.8 million in 1953. There was a large carryover into 1955 from 1954 importations. Because of prolonged storage this lard was not in the best condition when offered for sale, and needed reprocessing. At present, the price of Argentine lard is equivalent to 24.5 cents per pound, Argentine ports. However, some commercial sources state that lard costs approximately 25.4 cents per pound in 5-gallon tins f.o.b. Argentine ports. The cost of transporting lard from Argentina to Chile is high.

Annual consumption of lard in Chile fluctuates between 44 and 55 million pounds, changing in accordance with market prices. The ministry of Economy has calculated that there would be a potential demand of about 66 million pounds per year if prices were closer in line with those of vegetable shortening. At present hydrogenated sunflower and cottonseed oils are being manufactured at prices considerably lower than lard.

During the first semester of 1955, lard has been selling in Chile at around 68 cents per pound (300.-pesos/kg) while the average price for hydrogenated vegetable fats has been 43 cents per pound (210.-pesos per kg). There has been an expression of interest in use of American lard at recent low prices. When the new crop of sunflower seed comes in, early in 1956, it will probably be necessary to increase the price of sunflower seed oil and its products. The spread between lard and the vegetable oils may also be narrower if a higher exchange rate (higher than 200 pesos to the U.S.dollar) is eventually arrived at for future shipments of cottonseed oil from the United States.

LIVESTOCK NUMBERS CONTINUE
DECLINE IN NORTHERN IRELAND

A downward trend in cattle population, arrested in 1954, continued in 1955--resulting in a total of 35,750 head or 4 percent fewer than in 1954. Cattle over 2 years old, including dairy stock, showed a decrease that more than offset the increase in number of younger stock. The greatest decreases were in bred heifers and other cattle over 2 years old, with declines of 26 and 13 percent, respectively.

The number of sheep declined by 51,360 head or 5 percent from 1954 when the total number at 929,840 was the highest ever recorded. The number of ewes for breeding was 364,350, 5 percent higher than a year ago. There was a decrease of 57,140 or 48 percent in the number over 1 year old. A slight decrease of just over 1 percent in the number of lambs may be due to severe weather conditions, that prevailed last winter and at lambing time.

All classes of pigs declined in number since last year when the population was the highest ever recorded. The drop in total number was 123,700 or 15 percent. There was a decrease of 7,310 or 58 percent in number of bred gilts, while the decline in number of sows for breeding was 13,310 or 17 percent, and of pigs to 5 months old, 70,480 or 19 percent.

Northern Ireland ships large quantities of all types of meat and livestock to England and West European countries.

ARGENTINA'S LIVESTOCK SLAUGHTER LARGE

Livestock slaughter in Argentina in April-June was the largest in recent years and is expected to continue large at least through the third quarter. Packing plants are operating at near capacity and chilled beef is again being exported in volume. It was announced that prices for all slaughter cattle would be increased on September 1.

The large volume of cattle for slaughter reflects chiefly the increase in cattle numbers on farms from the low point resulting from the 1950-52 drought to a probable record high at present. Members of the trade believe that beef output this year will be greater than in any recent year. Packers are currently working at near capacity with transportation from ranches, plant refrigeration capacity, and movement to export the main limiting factors. Since July, both cattle cars and killing dates have been completely booked through September.

Chilled beef is again moving in volume for export for the first time since before the war. Arranging a steady flow of steers to packing plants and scheduling the slaughter with the arrival of reefers, so that chilled carcasses can be loaded within 48 hours, has presented problems of coordination not yet entirely solved. These difficulties are gradually being worked out and, with winter demand approaching in England, chilled shipments of 44 million pounds per month should not be unusual by year-end.

In the meantime, stocks of frozen beef (estimated at about 88 million pounds) have nearly filled available refrigerator space and in some plants have caused a reduction in the number of "consumo" type cattle slaughtered in favor of canners. In view of the abundant supply, the official ban one day a week on sale of beef for domestic consumption, which has been in effect since 1952, has not been suspended until October 31.

As some areas are switching from sheep to cattle production, sheep marketings to date this year have been the heaviest since 1952. England continued to buy the bulk of exportable lamb during first half 1955. Russia received over 3.3 million pounds of frozen mutton. The Argentine government has authorized exports of 100,000 head of sheep to Chile, provided these exports are made before November 30. No serious marketing problems are foreseen at this time as England will continue to absorb available supplies of lamb.

The supply of fresh pork at the current slaughter rate will soon exceed domestic needs, and port stocks may become burdensome. This is expected to have a depressing effect on hog prices, which until the last few weeks have been almost constantly at the official maximum of 74 cents (3.70 pesos) per kilo (2.2 pounds) for top grades. Controlled hog slaughter will probably total about 1,200,000 head this year, approximately the same as in 1954.

The only noteworthy overseas sale to date this year of pork sides has been 5.3 million pounds to Czechoslovakia, the bulk of which has been shipped at a reported average price of US$450 clearing per ton, f.o.b. Other than a possible sale of 1.1 million pounds to Chile, there is no further foreign interest at this time.

URUGUAYAN GOVERNMENT PAYMENT TO STIMULATE WOOL EXPORTS

A Uruguayan Government decree of September 15, 1955, authorizes premium payments to stimulate exports of greasy and washed wool. During the remainder of this wool year (until October 1) the premium amounts to 21 centisimos (about 10 U. S. cents) on each dollar's worth of wool exported. For the first and second quarter of the 1955-56 season the decree authorizes a payment of 14 and 7 centisimos per dollar, respectively. These premiums are subject to downward revision if world wool prices increase more than 15 percent.

The premium payments will be financed by simultaneously raising the exchange rate or Uruguayan imports. This measure, which increases the rates on imports, will reduce the amount of subsidy realized by exporters of wool tops.

The above measures became necessary because wool growers have been reluctant to sell during the current season at prices appreciably lower than prices of a year earlier. The carryover of wool at the end of September is expected to be considerably larger than a year ago.

MILK SUPPLY SHORT IN ENGLAND

The hot dry summer in England has accentuated the normal seasonal decline in milk production, so that production is currently below average. As a result, the Milk Marketing Board has announced it is arranging to ship fluid milk from Scotland and that, with the cooperation of all distributors and processors, all manufacture of dairy products will be temporarily discontinued so that total production of milk can be channeled into fluid consumption.

The Milk Marketing Board hopes that these measures will be sufficient to meet the demands for fluid milk, but if not, priority lists will be set up and first on the list of consumers will be schools, young children, and nursing mothers.

GERMAN REPUBLIC INCREASES
BUTTER IMPORTS

The German Republic has issued a second authorization to cover imports of butter up to the end of 1955; imports are being authorized from Australia, Denmark, Finland, France, Ireland, New Zealand, the Netherlands, Norway, Austria, Sweden, and Hungary. While quantities are not specified it is estimated that 13 to 14 million pounds are covered. According to the Commonwealth Economic Committee, Denmark will be the large seller with an approximate allocation of 4.5 million pounds at an export price of 49.625 cents per pound f.o.b.

During the first half of the year just under 37 million pounds of butter were imported by Germany, about 6 times the imports during the same period in 1954. More than half the total imports during the first 6 months of 1955 came from Denmark, with the Netherlands, France, and New Zealand supplying most of the remainder.

The Republic's imports of cheese during January-June 1955, at 66 million pounds, were 13 percent above the 1954 level.

COOPERATIVE MILK SALES
IN CEYLON SHOW INCREASE

The Colombo, Ceylon, Cooperative Milk Union sold more than 2.2 million imperial pints of milk to fluid consumers during 1954, an increase of 16 percent over 1953. Furthermore, according to the Ceylon Government's Administration Report on Cooperative Societies for 1954, the Milk Union showed a modest profit of about $1,000 compared with a loss last year. The 1953 loss was attributed in part to a selling price of 10.5 cents per pint. The 1954 price was adjusted to 11.5 cents, comparable with prices outside the cooperative.

The city distribution scheme of the Union was extended to other outlying urban areas during the year. Average daily sales of milk by the co-op amounted to 6,117 pints, of which 2,209 were delivered to households and 2,696 were purchased by hospitals. Some 376 pints were sold daily on the average at milk bars, while the remaining 30 pints was considered surplus and was used for ghee manufacturing.

The Government also announced that there were 26 cooperative dairy societies with 853 members, compared with 22 organizations and 807 members in 1953. The 28-year old Mobiriya Dairy, the largest organization, sold an average of 2,500 pints of fluid milk a day during 1954; the dairy has also added consumer goods to its stocks for members, in addition to carrying feedstuffs and other dairy requirements.

FLUID MILK IMPORTS NOT BANNED SAYS CUBAN MINISTRY OF STATE

Following an announcement that the Cuban Ministry of Public Health had approved a resolution banning imports of fluid milk (Foreign Crops and Markets, April 18, 1955), the United States Embassy at Havana submitted a memorandum to the Cuban Government regarding the ban. The Embassy now reports that the Cuban Ministry of State reports that the importation of fluid milk has not been banned, as erroneously reported. The restriction placed on fluid milk imports was only requiring an authorization for importation. Under the resolution the Cuban Ministry of Health and Social Welfare through the Division of Sanitary Inspection of Milk supply would approve the source of supply and guarantee the good condition of the imported fluid milk before releasing it for public consumption.

HOMOGENIZED MILK MAY BE MARKETED NEXT YEAR IN NEW ZEALAND

Indications are that homogenized milk will be offered for sale next year in New Zealand, with acceptance depending on consumer reaction.

Introduction of standardized homogenized milk on a commercial scale in New Zealand was delayed, pending results of trials on susceptibility of homogenized milk to sunlight. In its "Annual Report for the Year Ending March 31, 1955", the New Zealand Department of Agriculture states that these trials prove homogenized milk is no more susceptible to sunlight conditions than ordinary pasteurized milk and there is no special need for using amber bottles for this product.

MILK PRODUCTION HIGH IN AUSTRALIA, NEW ZEALAND

Australian milk production is estimated at an all-time high of 13.6 billion pounds for the year ending June 30, 1955, according to the Statistical Bulletin of the Australian Dairying Industry. This increase of 10 percent over last year's production was absorbed by production of butter and fluid milk for Commonwealth consumption. Output of cheese and condensery products showed a decline. All of the Australian States showed increased total milk production, ranging from a 7-percent rise in South Australia to a 12.9-percent rise in Victoria.

Of the total milk produced, 67.4 percent was utilized to make butter, 7.4 percent was used in cheese production, 4.6 percent for the production of condensery products, and the remaining 20.6 percent was used principally for processing of fluid milk for domestic consumption. (Cont'd., next page.)

Factory production of butter at 422 million pounds was 72 million pounds above last year. Factory output of cheese, however, declined 9 million pounds to 101 million pounds for the year; and on a whole milk equivalent basis, at 626 million pounds, condensery production was down 17 percent from last year's figure. Production of powdered skim milk, reflecting the rise in butter production, increased 5.5 million pounds over 1954 to 48.6 million pounds.

In New Zealand, according to the New Zealand Dairy Board, milk production in the 1954-55 season was 2 percent higher than the previous year, but was still 6 percent under the record-breaking season of 1952-53.

New Zealand reports a 3.5-percent increase in milk for butter and a 2-percent drop in milk going to cheese manufacture--reflecting the country's switch from cheese to butter and casein production. Butter output during the 1954-55 year was over 21 million pounds, about 28 percent above prewar.

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AUSTRALIAN WOOL SALES (See price table, opposite page.)

The only Australian wool sale for the week ending September 10 was held in Brisbane. During the 4-day sale 66,000 bales were offered and virtually a total clearance was obtained.

The sale opened on September 5 with values generally firm on closing rates in Sydney the previous week. Finer wools were firm but broader qualities more slightly irregular and at times a shade cheaper. Britain and the Continent provided the principal competition with good support from Japan.

Competition was only fairly active during the remainder of the sale. Nevertheless, prices for the week for combing wools averaged some 2 percent below those at sales during the opening week of the session at Sydney and Newcastle. Carding wools firmed slightly with merino values up about 2 percent. Britain, the Continent, and Japan were the principal buyers with local mills giving a valuable support. Also for the first time this season United States buyers were active.

Average quotations on a clean basis for the week ending September 10 with comparisons are given in the table on opposite page.

1955 ALMOND AND FILBERT CROP FORECASTS FOR ITALY AND SPAIN

Almonds.--A short crop is currently indicated for both Italy and Spain: Italy - 22,000 short tons (1954: 32,500); Spain - 22,000 tons (1954: 19,500).

Filberts.--A bumper crop is estimated for Italy - 44,000 short tons (1954: 23,000); and another short crop for Spain - 11,000 tons (1954: 7,300)

SHORT FILBERT CROP FORECAST IN TURKEY

The Turkish filbert crop, which dominates world commercial production, is forecast at 50,000 short tons, unshelled, for 1955. Last year's crop, a record one, amounted to 125,000 tons. Average production (1948-52) is 67,000 tons.

AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis, on Australian Auction floors, by Quality Classifications

Type and grade	Week Ended			
	9-11-54	6-30-55	9-3-55	9-10-55
	U.S. dollars per pound			
Combing wools				
Good 70's	1/ 1.62	1/ 1.44	1/ 1.32	1/ 1.30
Average 70's	1.56	1.37	1/ 1.26	1.22
Good 64's	1/ 1.47	1/ 1.30	1/ 1.16	1/ 1.12
Average 64's	1.40	1.25	1.11	1.08
Good 60's	1/ 1.38	1/ 1.20	1/ 1.05	1/ 1.02
Average 60's	1.29	1.15	.98	.96
Good 58's	1/ 1.26	1/ 1.14	1/ .97	1/ .95
Average 58's	-	-	.93	1/ .92
Good 56's	1/ 1.18	1/ 1.04	1/ .92	1/ .91
Average 56's	-	-	1/ .91	1/ .89
Good 50's	1/ .96	1/ .91	1/ .86	1/ .84
Average 50's	-	-	1/ .84	1/ .82
Carding wools				
Merino	.83	.77	.70	.72
Comeback	.77	.72	.65	1/ .65
Fine Crossbred	.76	.72	.63	1/ .63
Medium Crossbred	.74	.73	.63	1/ .63

1/ Quotations nominal

Source: Wool Statistical Service of the Australian Wool Bureau.

CANADIAN COTTON CONSUMPTION
UP 60 PERCENT IN AUGUST

Cotton mill consumption of 32,000 bales (500 pounds gross) in Canada during August 1955 represented an increase of 60 percent over the 20,000 bales consumed in July, and 28 percent over consumption of 25,000 bales in August 1954, and was the highest August figure for cotton consumption since 1943.

Cotton imports for the 11-month period August 1954-June 1955, the latest month for which import data are available, amounted to 325,000 bales, an increase of 27 percent over imports of 256,000 bales in the comparable period of last year. Imports from the United States were 299,000 bales or 92 percent of the total, as compared with 215,000 bales or 84 percent of the total a year ago.

CHILE PLANS TO CONTROL
DISTRIBUTION OF IMPORTED COTTON

Effective July 18, 1955, the Government of Chile has issued a decree to provide control of the distribution and rationing of imported raw cotton. The Superintendency of Supplies and Prices will administer the decree with the assistance of a special Cotton Advisory Committee. A permanent reserve stock of raw cotton will be maintained into which 5 percent of each importation will be placed, and from which it can be released upon qualified need. Mill supplies of cotton have reportedly been somewhat limited in recent weeks.

IRAN'S COTTON PRODUCTION
CONTINUES TO INCREASE

Early estimates of Iran's 1955-56 cotton production indicate a crop of approximately 350,000 bales (500 pounds gross), which represents an increase of 27 percent over estimated production of 276,000 bales in 1954-55, and continues the marked upward trend of cotton production in Iran during the last several years. Production in 1953-54 was estimated at 240,000 bales as compared with 165,000 in 1952-53, and a 5-year average of 85,000 bales for 1945-49. Acreage for the 1955-56 crop was tentatively placed at 700,000 acres, as compared with 620,000 for 1954-55.

Iran's cotton exports during 1954-55 (year ended August 21) are estimated at 207,000 bales, as compared with 160,000 in 1953-54. Destinations of this year's exports are known only for the first 2 months of the period, when Japan and France were the principal buyers of Iranian cotton. Smaller quantities were exported to Italy, the Republic of Germany, and the United Kingdom. Cotton exports in 1953-54 went principally to Japan, the Republic of Germany, and France, with smaller quantities exported to Italy and the United Kingdom.

Cotton mill consumption in Iran was estimated at 60,000 bales in 1954-55, an increase of about 5 percent over consumption of 57,000 bales in 1953-54. Nonmill or household consumption amounts to about 14,000 bales annually in addition to the quantities quoted above.

Iran's cotton stocks on August 21, 1955, were estimated at 7,000 bales, down somewhat from the 12,000 bales held a year earlier.

CURRENT AGRICULTURAL ROUNDUP:
HONDURAS, MEXICO, BRAZIL, BOLIVIA

Honduras Expects Increased Harvests.--The severe shortage of food crops in Honduras during the summer months is expected to be alleviated by the bean harvest already entering the market in quantity and by the new corn crop reported ready for picking. Shortages of corn, beans, and rice posed a serious problem to the Honduras Government and the consuming public from late April to mid-August and led the Government to take measures to increase supplies and lessen upward pressure on prices. The National Development Bank imported corn and beans for its own account and sold them directly to the public at prices slightly over cost. The Government also encouraged importation of basic foodstuffs such as corn, beans, rice, onions, and potatoes by temporarily suspending import duties. The end of the critical period now seems to be at hand. (See Foreign Agriculture Circular FATP 8-55 of June 2, 1955, for background on Honduras.)

Mexican President Reports Increased Agricultural Production.--In his annual message to the Mexican Congress, President Adolfo Ruiz Cortines stated that the increasing strength of Mexico's economic structure is due to a great extent to the improvement in the purchasing power of the farmers. He does not anticipate the need for imports of corn, wheat, or beans in the coming year. Production of export crops was also increased, the principal increases being in cotton, coffee, and sugar. Livestock production was also promoted through a program of range improvement, artificial pastures, control of diseases, better techniques, and the importation of registered livestock for breeding. The success of these programs is evidenced, the President said, by the decline in imports of animal fats and eggs. One of the leading goals of the Mexican Government, the President added, is the construction of hydraulic works in order to increase the area under cultivation and guarantee agricultural production. (See Foreign Agriculture Circular FATP 5-55 of March 31, 1955, for background on Mexican agricultural trade.)

Brazil Agricultural Imports Decline in 1954.--By and large, imports of agricultural products into Brazil declined in 1954 below the level of 1953, with a few notable exceptions. On the export side, coffee exports declined in volume while cotton and cacao trade increased. The table on the next page shows the principal agricultural exports and imports for 1954 compared with the previous year. (See Foreign Agriculture Circular FATP 28-55 of August 22, 1955, for material on U.S.-Brazil trade.)

BRAZIL: Principal agricultural exports and imports, 1953 and 1954

Exports			Imports		
Item	1953	1954	Item	1953	1954
	1,000 metric tons 1/			1,000 metric tons 1/	
Coffee	934	655	Wheat grain	1,615	1,409
Cotton	193	335	Wheat flour	31	170
Bananas	179	239	Barley malt	49	49
Sugar	256	162	Apples, pears, grapes	65	48
Cacao beans	109	121			
Castorseed	21	59			
Sisal and agave	22	55			
Oranges	25	32			
Tobacco	24	28			
Soybeans	26	25			
Brazil nuts	22	23			
Cowhides	31	21			
Castor oil	27	16			

1/ One metric ton equals 2,204.6 pounds.

Bolivia Encourages Trade.--The Government of Bolivia is promoting the production and export of rubber, cacao, and Brazil nuts by the underdeveloped provinces of Beni and Pando, in line with the announced government policy of encouraging the export of new products as a source of foreign exchange income.

A Supreme Decree of March 31, 1955, provides tax and customs relief for growers and exporters of these forest products. The decree removes all previous government restrictions on their production, transport, and sale. Considerable leeway is given producers and exporters as to their disposition of the foreign exchange income derived from their exports and the exporters are allowed to import goods free of CIF surcharges up to the full amount of the foreign exchange they earn. In return for this preferential treatment, however, exporters of the crops must open accounts with the Foreign Commerce Department of the Central Bank and no less than 20 percent of this foreign exchange income must be used to purchase import items of "prime necessity" for the Beni and Pando regions.

Similarly, no less than 20 percent of the income must be plowed back in capital goods investment for the area. Up to 60 percent is free for the import of other types of merchandise which is remarkably liberal as compared with the restrictions applying to other importers. Moreover, up to five-sixths of this latter amount may be used to buy bolivianos on the free market, thus providing the growers with a sizeable cash incentive for the expansion of their crop exports.

These three forest products, hitherto exported in but small quantities, should provide a steady if minor amount of dollar and other foreign currency income for the Beni and Pando regions.

WORLD BREADGRAIN PRODUCTION LARGE

Another large world breadgrain crop is forecast for 1955, on the basis of preliminary reports available to the Foreign Agricultural Service. A first forecast for the total of the two grains, wheat and rye, of 265 million short tons, is about the same as the large 1953 crop and compares with 252 million tons in 1954 and the prewar (1935-39) average of 231 million.

Present forecasts are necessarily of a tentative nature since seeding of these crops in Southern Hemisphere countries has only recently been completed, and growing conditions between now and December 1 will largely determine the size of the harvests in those areas. Reliable information is also lacking for some important producing Northern Hemisphere countries.

The increase over the 1954 crop is estimated for both wheat and rye, but the bulk of it is for wheat. Increased acreage is the principal factor in the increase, though slightly higher yields also contribute to the gain. The increase in acreage was mainly for wheat in the Soviet Union. A sharp increase in the wheat acreage of that area is reported officially.

Indications for Europe and Asia are generally favorable, a factor which would tend to reduce import needs in those important importing areas. In addition to a larger production in most of these countries, the quality of the grain in European countries is generally much better than that of 1954. Last year an unusually large amount of wheat was fed in a number of European countries because of the large proportion of poor-quality grain harvested.

Record supplies of wheat are available in the principal exporting countries of the Northern Hemisphere, Canada and the United States. The large supply is attributed to record carryover stocks and a well-above-average harvest in the United States and large Canadian production and carryover. Record supplies are also indicated for Australia, and substantial supplies for Argentina.

Conditions in the minor exporting countries are variable, but a net increase over 1954 availabilities seems assured. Turkey's harvest shows a substantial recovery from the poor 1954 outturn, though it is still below the high level of the previous 2 years. Production in France approaches the record level of a year ago and that country is expected to have an exportable surplus of about 100 million bushels. Sweden and Syria, in contrast, harvested small wheat crops and are expected to have little, if any, surplus for export this season.

See Wheat table, pp. 356 and 357; Rye table, p. 358. Text continues, p. 359.

WHEAT: Acreage, yield per acre, and production in specified countries, year of harvest averages 1935-39 and 1945-49, annual 1953-55 1/

Continent and country	Acreage 2/					Yield per acre 3/					Production				
	Average					Average					Average				
	1935-39	1945-49	1953	1954	1955 4/	1935-39	1945-49	1953	1954	1955 4/	1935-39	1945-49	1953	1954	1955 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	25,595	24,717	25,513	24,267	21,504	12.2	14.8	24.1	12.3	23.3	312,399	366,349	613,962	298,909	500,587
Mexico	1,244	1,244	1,624	1,804	1,804	11.5	12.5	15.2	16.8	16.8	14,284	15,522	24,640	30,300	30,300
United States	57,293	71,024	67,661	53,712	47,376	13.2	16.9	17.3	18.1	19.4	758,629	1,202,396	1,169,484	969,781	916,776
Estimated total 5/	84,170	97,040	94,860	79,850	70,750	-	-	-	-	-	1,086,000	1,585,000	1,809,000	1,300,000	1,450,000
EUROPE															
Austria	630	528	563	588	615	25.3	20.5	34.2	28.2	31.1	15,942	10,800	19,250	16,600	19,150
Belgium 6/	394	371	421	445	453	40.3	39.7	48.9	46.7	55.2	15,887	14,733	20,590	20,800	25,000
Denmark	319	175	173	208	173	45.4	49.7	60.3	51.6	53.8	14,470	8,704	10,430	10,730	9,300
Finland	230	420	355	400	-	26.5	21.3	26.8	25.0	-	6,100	8,966	9,500	10,000	-
France	12,560	10,354	10,430	11,100	11,300	22.8	23.0	31.6	35.0	33.2	286,505	238,200	330,000	388,220	375,000
Western Germany	2,785	2,283	2,832	2,735	2,900	33.2	29.5	41.0	38.7	42.1	92,400	67,420	116,100	105,860	122,000
Greece	2,172	1,917	2,581	2,540	2,564	14.0	12.9	19.9	17.6	19.1	30,425	24,750	51,400	44,800	48,940
Ireland	225	561	380	486	360	34.2	31.6	40.5	37.6	36.1	7,689	17,746	15,400	18,250	13,000
Italy	12,577	11,742	12,100	12,100	12,300	22.1	19.3	27.5	22.0	26.3	278,366	227,200	332,800	266,800	323,340
Luxembourg	47	32	44	48	40	25.9	25.0	30.7	31.2	32.5	1,215	800	1,350	1,500	1,300
Netherlands	333	262	161	272	219	45.7	42.4	59.4	53.6	52.5	15,217	11,109	9,560	14,590	11,500
Norway	80	91	43	50	-	29.9	29.3	33.3	30.2	-	2,391	2,670	1,430	1,510	-
Portugal	1,720	1,665	1,867	1,907	1,918	10.7	8.5	13.6	14.4	7.4	18,400	14,190	25,350	27,470	14,100
Spain	7/ 11,253	9,640	10,606	10,660	10,900	7/ 14.0	12.1	11.8	16.9	13.8	7/157,986	116,700	125,000	180,000	150,000
Sweden	740	749	959	1,068	875	35.6	31.0	37.8	35.1	31.0	26,351	23,222	36,270	37,490	27,100
Switzerland	183	223	211	227	236	33.1	35.0	38.4	51.7	42.7	6,050	7,800	8,110	11,740	10,070
United Kingdom	1,843	2,148	2,217	2,457	1,965	33.8	36.1	44.9	42.3	44.0	62,361	77,505	99,460	103,890	86,500
Yugoslavia	5,400	-	-	-	-	18.1	-	-	-	-	97,700	-	-	-	-
Estimated total 5/	53,500	47,590	50,950	52,100	52,170	-	-	-	-	-	1,136,000	947,000	1,305,000	1,330,000	1,330,000
Other Europe, estimated total 8/	21,350	18,530	20,450	20,780	20,500	-	-	-	-	-	464,000	318,000	420,000	390,000	410,000
Estimated total, all Europe 5/	74,850	66,120	71,400	72,880	72,670	-	-	-	-	-	1,600,000	1,265,000	1,725,000	1,720,000	1,740,000
U.S.S.R. (Europe and Asia)	104,000	82,200	-	-	-	11.9	10.8	-	-	-	1,240,000	885,000	-	-	-

[illegible]															
Iran	9/ 4,191	-	-	-	-	9/ 17.2					9/ 72,128	70,791	82,500	78,000	91,500
Iraq	9/ 1,724	1,593	-	-	-	9/ 10.5	9.1	-	-	-	18,114	14,424	26,000	27,000	17,000
Lebanon	10/	166	166	166	165	10/	12.8	11.9	12.4	11.2	10/	2,133	1,980	2,060	1,850
Syria	10/ 1,363	1,957	2,347	2,720	-	10/ 14.3	9.6	12.5	11.5	-	10/ 19,435	18,762	29,400	31,200	18,500
Turkey	8,973	9,436	15,340	15,830	16,300	15.1	13.3	18.6	11.4	13.8	135,690	125,089	293,950	180,040	225,000
China	9/ 49,000	54,447	-	-	-	9/ 15.3	15.9	-	-	-	9/ 750,000	864,280	-	-	-
Manchuria	2,896	-	-	-	-	12.4	-	-	-	-	36,035	-	-	-	-
India 11/	9/ 25,460	23,312	24,286	26,310	26,842	9/ 10.3	9.1	11.3	11.2	11.9	9/ 262,100	212,336	275,590	293,920	318,800
Pakistan 11/	9/ 9,305	10,337	9,510	10,650	10,700	9/ 12.6	12.5	11.0	12.9	11.0	9/ 117,000	129,017	105,000	137,500	118,000
Japan	1,735	1,655	1,696	1,660	1,639	28.8	20.7	29.8	33.6	32.9	49,954	34,325	50,500	55,700	54,000
Korea	832	-	-	-	-	12.3	-	-	-	-	10,240	-	-	-	-
Estimated total 5/	114,190	117,810	133,130	140,750	140,920	-	-	-	-	-	1,558,000	1,585,000	1,790,000	1,790,000	1,780,000
AFRICA															
Algeria	4,185	3,566	4,307	4,781	4,690	8.4	8.4	9.4	10.7	10.2	35,201	29,900	40,440	51,000	-
Egypt	1,464	1,618	1,358	1,864	1,581	31.3	26.3	30.6	34.1	34.2	45,349	42,633	56,800	63,500	54,050
French Morocco	3,254	2,621	3,526	3,999	3,631	7.1	8.3	11.6	11.6	9.6	23,128	21,792	40,900	46,410	34,800
Tunisia	1,950	1,907	2,612	3,356	1,955	7.7	6.5	8.2	6.8	7.7	14,962	12,320	21,300	22,940	15,100
Union of South Africa 12/	1,926	2,416	3,014	2,857	-	8.3	6.2	7.0	6.9	-	16,025	15,067	21,160	19,760	-
Estimated total 5/	13,350	13,740	16,950	18,530	16,420	-	-	-	-	-	143,000	134,000	195,000	220,000	185,000
SOUTH AMERICA															
Argentina	15,334	11,432	12,345	13,500	-	14.0	16.9	18.5	20.9	-	221,769	193,740	227,300	282,560	-
Brazil	414	876	-	-	-	12.0	12.9	-	-	-	4,978	11,283	25,000	25,000	-
Chile	1,963	1,980	1,382	1,980	-	16.1	18.0	18.7	19.3	-	31,562	35,628	35,100	38,270	-
Peru	285	280	425	420	-	11.5	13.6	14.6	14.5	-	3,274	3,798	6,200	6,100	-
Uruguay	1,210	1,060	1,350	1,800	-	11.0	12.4	16.2	16.1	-	13,256	13,124	30,000	29,000	-
Estimated total 5/	20,490	16,320	18,840	20,010	20,000	-	-	-	-	-	281,000	263,000	330,000	390,000	355,000
OCEANIA															
Australia	13,128	12,662	10,751	10,499	10,610	12.9	14.0	18.4	15.9	18.8	169,744	177,742	197,960	166,610	200,000
New Zealand	221	140	114	110	-	32.3	37.4	41.9	41.8	-	7,129	5,241	4,780	4,600	-
Total	13,349	12,302	10,865	10,509	10,710	-	-	-	-	-	176,873	182,983	202,740	171,210	204,500
Estimated world total 5/	424,900	406,030	465,050	464,630	473,470	-	-	-	-	-	6,085,000	5,900,000	7,380,000	6,930,000	7,315,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1955 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1955 and end early in 1956. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Data for individual years shown are not strictly comparable with averages shown, since recent estimates exclude data for farms of less than 2.5 acres. 7/ Figure for 1935 only. 8/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland and Rumania. 9/ Average of less than 5 years. 10/ Estimates for Syria and Lebanon not shown separately during this period. 11/ Figures for the period shown are not strictly comparable since figures for 1953-1955 include allowances for non-reporting areas, which were not included with earlier figures shown, but were included in estimated total for Asia. 12/ Production on European holdings only.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

RYE: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1945-49, annual 1953-55 1/

Continent and country	Acreage 2/ Average 1935-39	Acreage 2/ Average 1945-49	Acreage 2/ 1953	Acreage 2/ 1954	Acreage 2/ 1955 4/	Yield per acre 3/ Average 1935-39	Yield per acre 3/ Average 1945-49	Yield per acre 3/ 1953	Yield per acre 3/ 1954	Yield per acre 3/ 1955 4/	Production Average 1935-39	Production Average 1945-49	Production 1953	Production 1954	Production 1955 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	816	1,129	1,494	850	778	11.3	11.2	19.3	16.7	19.8	9,191	12,653	28,775	14,176	15,432
United States	3,699	1,810	1,384	1,718	2,081	12.1	12.3	13.1	13.8	13.7	44,917	22,336	18,163	23,688	28,448
Total	4,515	2,939	2,878	2,568	2,859	-	-	-	-	-	54,108	34,989	46,938	37,864	43,880
EUROPE															
Austria	881	616	561	539	534	23.4	19.9	29.5	27.3	28.9	20,611	12,260	16,550	14,720	15,430
Belgium 5/	401	259	196	203	168	37.4	36.3	42.9	47.4	44.0	15,016	9,410	8,400	9,630	7,400
Denmark	354	379	323	277	198	28.2	34.2	40.3	39.2	36.4	9,973	12,958	13,030	10,870	7,200
Finland	500	376	240	245	-	24.6	21.2	23.3	23.5	-	12,300	7,960	5,600	5,750	-
France	1,613	1,202	1,008	991	974	18.6	17.2	18.3	20.4	18.4	29,993	20,618	18,400	20,235	17,930
Western Germany	4,080	3,480	3,442	3,780	3,637	29.2	28.4	37.5	42.7	41.1	119,000	98,900	129,170	161,330	149,600
Greece	163	130	168	152	143	13.8	12.8	15.8	13.2	15.7	2,244	1,664	2,660	2,000	2,250
Italy	256	253	235	220	205	21.8	17.9	22.6	21.4	-	5,580	4,520	5,300	4,700	-
Luxembourg	18	15	12	14	13	25.7	26.3	30.8	30.5	-	462	395	370	427	-
Netherlands	560	492	425	413	379	36.4	31.5	42.4	49.1	48.3	20,394	15,520	18,000	20,290	18,300
Norway	13	4	2	2	2	31.2	32.8	27.5	29.5	-	405	131	55	59	-
Portugal	620	680	657	637	637	8.9	8.0	10.9	11.7	10.2	5,500	5,460	7,185	7,480	6,510
Spain	6/ 1,404	1,553	1,525	1,540	1,510	6/ 13.1	11.0	12.1	12.3	-	6/ 18,363	17,117	18,500	19,000	-
Sweden	495	363	328	368	234	30.0	28.4	35.9	32.2	29.3	14,828	10,323	11,780	11,840	6,850
Switzerland	38	32	37	37	37	33.2	33.9	39.7	48.0	41.1	1,260	1,084	1,470	1,775	1,520
United Kingdom	17	59	68	44	20	23.9	30.0	38.8	35.5	36.0	406	1,768	2,640	1,560	720
Yugoslavia	633	-	-	-	-	13.4	-	-	-	-	8,500	-	-	-	-
Estimated total 7/	12,050	10,480	9,910	12,120	9,600	-	-	-	-	-	285,000	228,000	270,000	300,000	270,000
Other Europe, estimated total 8/	21,620	17,360	19,120	19,000	18,960	-	-	-	-	-	481,000	337,000	380,000	405,000	445,000
Estimated total, all Europe 7/	33,670	27,840	29,030	29,120	28,560	-	-	-	-	-	766,000	565,000	650,000	705,000	715,000
U.S.S.R. (Europe and Asia)	60,800	72,300	-	-	-	14.6	12.4	-	-	-	885,000	895,000	-	-	-
ASIA															
Turkey	939	1,017	1,603	1,515	-	15.2	13.5	17.9	11.4	-	14,301	13,679	28,700	17,320	-
SOUTH AMERICA															
Argentina	1,078	1,561	2,066	2,743	-	9.1	9.6	11.6	12.1	-	9,771	14,944	23,900	33,230	-
AFRICA															
Union of South Africa	9/ 117	197	-	-	-	9/ 6.8	4.9	-	-	-	794	973	-	-	-
Estimated world total 7/	101,270	106,100	88,520	90,890	89,970	-	-	-	-	-	1,732,000	1,530,000	1,470,000	1,575,000	1,610,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1955 is combined with preliminary forecasts for the Southern Hemisphere harvests, which will begin late in 1955 and end early in 1956. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Data for individual years shown are not strictly comparable with averages shown, since recent estimates exclude data for farms of less than 2.5 acres. 6/ Figure for 1935 only. 7/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 8/ Comprises Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland and Rumania. 9/ Average of less than 5 years.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

WORLD BREADGRAIN PRODUCTION:..(Cont'd. from p. 355. See Wheat table, pp. 356 and 357; Rye table, opposite page.)

Wheat supplies in North America are the largest of record, as a result of record levels in both the United States and Canada. Carryover stocks in the United States exceeded their previous record on July 1, 1954 by 118 million bushels. This more than offsets the decline of 53 million bushels from the 1954 wheat crop. The current production of 917 million bushels is the smallest crop harvested in this country since 1943 and is 21 percent less than the 1944-53 average. Winter wheat accounts for 690 million bushels and spring wheat for 227 million bushels.

The supply of 982 million bushels of wheat in Canada at the beginning of the 1955-56 season approximates the record supply for 1953-54 and is 100 million bushels larger than the total for 1954-55. The very small production last year more than offset a near-record carryover at the beginning ot the season. Wheat production for 1955 is now estimated at about 500 million bushels, an increase of 200 million over the unusually small 1954 harvest. It is, however, somewhat below the high level of the crops for the 3 years preceding that small outturn. The substantial increase, compared with last year's wheat production is entirely due to increased yields, since acreage is 2.8 million acres smaller than in 1954. Current estimates place the average yield for this season at 23.3 bushels per acre, an increase of 10 bushels over the average for the past year.

Rye production in North America is estimated at about 44 million bushels, which is about 6 million bushels above the 1954 total. Most of the increase is in the United States, where acreage shows an increase of 21 percent. Rye acreage in Canada fell off from the very low level of last year but yields were high, bringing total production slightly above the 1954 crop.

Wheat production in Western Europe is estimated to total about the same as in 1954, but with significant changes from country to country within the area. Increases in a few countries, especially in Italy and the Republic of Germany, offset substantial declines in Spain, Portugal, the United Kingdom, and Scandinavia. The crop in Italy is estimated at the near-record figure of 323 million bushels, compared with 267 million last year. The quality of the 1955 crop is reportedly good except for a lower protein content. Some imports of soft wheat are expected, with about 18 million bushels to come in under the commitment with Argentina. In addition, it is expected that about 11 million bushels of durum will be required. Turkey is committed to supply a third of that amount. A slight increase in Italy's wheat acreage appears to have come out of the coarse grain acreage.

Cont'd., next page.

Preliminary reports place the wheat crop in France near the record 1954 harvest. This would ensure a substantial surplus for export again this year, the surplus tentatively estimated at 100 million bushels. The quality of the grain is generally higher than in 1954. On the basis of preliminary reports a record wheat crop is expected in the Republic of Germany, exceeding the 1954 production by 15 percent. The quality of the crop will be considerably better than that of last year. A slight increase in acreage plus higher yields account for the increase.

Production in Greece is estimated to be 49 million bushels compared with 45 million in 1954. This approaches the record production of 51 million bushels in 1953. Yields, estimated at 19.1 bushels per acre are large though not up to the high level of 1953. A larger crop is also forecast for Yugoslavia as a result of better growing conditions than those of last year.

A less favorable outlook than for the above-mentioned countries is reported for the Iberian Peninsula, the Scandinavian countries, and the United Kingdom. In Spain a drop from last year's high wheat production of 180 million bushels to about 150 million is forecast. Comparatively high stocks, however, should bring supplies for the current season near domestic requirements. Extended drought in that country during the growing season reduced yields somewhat below the high 1954 yields. Drought also cut crop yields sharply in Portugal, and the present estimate for the 1955 crop is little more than half the large outturn of last year.

The wheat crop in the United Kingdom is currently estimated at 86.5 million bushels, compared with 104 million last year. Unfavorable weather conditions at seeding time caused a sharp reduction in acreage. Yields are very good, however, and may be near the large 1953 yields. Import requirements for wheat during 1955-56 are expected to be maintained at a relatively high level, with a tendency toward a larger proportion of milling quality wheat than during the 1954-55 season.

Production of rye in Western Europe is estimated to be smaller than in 1954, mainly because of reduced acreage. In the Republic of Germany, the ranking rye producer of the area, the harvest is down about 12 million bushels, despite much-above-average yields. Smaller harvests than in 1954 are general throughout the area.

In most areas of Eastern Europe, growing conditions were more favorable than in 1954, and a wheat total at least 5 percent above the 1954 production is forecast. Conditions appear best in Poland, where growing conditions were indicated to be unusually favorable. Rye production in this area is estimated to be substantially above the 1954 total, largely because of an increase in Poland's outturn. Poland stands first in European rye production, in some years producing as much rye as does all Western Europe.

Preliminary information vrom the Soviet Union points to a larger wheat harvest this season. An expansion of 27 million acres of spring wheat was officially reported. This expansion, however, was largely in low-yielding areas and may have been partially offset by some winter-killing of the fall-sown wheat. Better yields are reported for the winter wheat belts of the Ukraine and Northern Caucasus, where a serious drought reduced yields last year. A drought this year reduced yields in the spring wheat belt beyond the Urals, but a considerable expansion of acreage on virgin land in this area is an offsetting factor.

Delivery of grain to the Soviet Government and fulfillment of the quotas are reported considerably ahead of those of a year ago in a number of important wheat-producing regions. There is no information pointing to significant change in the 1955 Soviet rye acreage. Present indications are that this crop may be about average.

Reporting countries of Asia show wide variations in their wheat prospects. Among the leading producers, larger outturns than last year were reported for Turkey, India, and Iran, while somewhat smaller harvests were reported for Pakistan, Syria, and Iraq. The outlook for Turkey is much better than last year, though it is still well below the record production of the 2 previous years. Some wheat surplus should be available for export again this season.

Iraq, an exporter of moderate quantities of wheat last season, has a much smaller crop this year and can be expected to be a net importer during the current season. Wheat imports have been authorized and the import duty on wheat has been removed for a period of 9 months. Syria is another country that can be expected to be out of the wheat export market because of a sharp reduction in its current harvest. Rye is of minor significance in Asia, with Turkey the only country producing a sizable amount.

Wheat production in Africa is estimated to be about 15 percent less than in 1954, largely because of smaller acreage. Reduced acreage was general throughout the important producing countries, especially in Tunisia, Egypt, and French Morocco. Yields were variable, with smaller yields than last year in French Morocco and Algeria, and larger in Tunisia. Egypt's yields were about the same as in 1954.

It is early in the season for a reliable indication of prospects for the Southern Hemisphere. The crop recently seeded in South America may be smaller than in 1954, because of less favorable prospects for Argentina. Though admittedly too early for an accurate appraisal, recent reports suggest that the outturn there will be somewhat less than in 1954.

In Australia a wheat crop of 200 million bushels is forecast, compared with 167 million bushels last season. Such a large production, together with the present high level of stocks, indicates that export availabilities for 1955-56 may be at a record level. The excellent prospects are attributed to good growing conditions, improved varieties, and better farming methods.

THAILAND'S OILSEED EXPORTS MAY BE INCREASED

Thailand's exports of vegetable oilseeds, particularly peanuts and sesame, may increase considerably following the completion of irrigation projects to provide water for agricultural districts outside the central plain area. Exports of peanuts and sesame from Thailand in 1954 amounted to 15,290 and 2,518 tons, respectively. Other exports last year included 1,044 tons of soybeans, 2,364 tons of cottonseed, 15,882 tons of castor beans, 4,351 tons of copra, 1,442 tons of coconut oil, and 811 tons of other vegetable oils. Export licesnes must be obtained for all merchandise shipped out of Thailand.

Under import regulations, foreign merchandise is placed in 3 categories: (1) essential goods for which import licenses are issued without limitations as to quantity; (2) semi-essential goods for which limited import quotas are fixed by the Ministry of Economic Affairs; and (3) nonessential or luxury items for which import licenses are not issued.

Banned import items under the third category are officially designated as luxury goods. However, the principal consideration in the preparation of the list has been to prohibit the importation of goods that are domestically produced (or should be produced) in quantities sufficient for Thailand's consumption requirements. Fats and oils items for which import licenses are not issued include margarines and other imitation butters, coconut oil, peanut oil, and palm oil.

UNITED STATES PEANUT IMPORTS LARGE IN 1954-55

United States' imports of peanuts during the 1954-55 quota period, July 1, 1954, through July 31, 1955, totaled 120,104, 617 pounds, shelled, as compared with only 7,205 pounds, shelled basis, in the preceding quota period July 1, 1953-June 30, 1954. Of the 12 countries from which the United States imported peanuts in the 1954-55 13-month period, Brazil with 34,343,404 pounds, India--33,442,378, Mexico--29,212,906, the Union of South Africa--11,042,043, and the Philippines--9,348,977 pounds, were the principal sources of supply. Other supplying countries were Angola, Canada, Egypt, Rhodesia, Indonesia, the Netherlands, and Spain.

The import quota in effect for 1954-55 initially was the same as in 1953-54, or 1,709,000 pounds, shelled basis. However, drought conditions in important peanut-producing areas greatly reduced domestic supplies. On March 9, 1955, a Presidential Proclamation permitted additional imports of 51,000,000 pounds, shelled only. When it became apparent that the shortage was greater than was assumed earlier in the year, another Proclamation was issued on May 16. (See Foreign Crops and Markets of June 27, 1955, page 778.) This action permitted unlimited quantities of shelled peanuts to be imported or withdrawn from warehouse from that date through July 31, 1955. The Proclamation also changed the beginning of subsequent quota years from July 1 to August 1.

U.K. ANNOUNCES GRASS AND LEGUME SEEDS IMPORT PROGRAM

On August 24 the United Kingdom announced that clover and grass seed imports from soft currency countries and Canada would be on open individual licenses. Imports, however, are restricted to certain kinds from the countries listed, i.e., only Alsike and Altaswede clovers from Canada. All other imports of grass and legume seeds from other countries will continue to be subject to a specific license for each individual import.

PRICES SET BY U.K. FOR JAMAICAN ORANGE CONCENTRATE

The United Kingdom has a 10-year contract with Jamaica for a supply of orange concentrate, under which the Jamaicans are free to sell their concentrates in the open market instead of to the United Kindgom if a higher price can be obtained. Last year the contract price was about $4.25 per imperial gallon and outside prices reached up to $5.32 per gallon; hence, Jamaica supplied only about 20 tons of the concentrates to the United Kingdom.

Just recently the United Kingdom agreed to increase the purchase price for the current season to the equivalent of $4.72 per gallon. It is understood, however, that minimum deliveries approaching 2,000 tons will be required of Jamaica this year.

PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Issued recently and available free upon request from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C.

Current Coffee Trade Situation. Foreign Ag. Circ. FCOF-10-55

The Pattern of World Milk Production. Foreign Ag. Rpt. No. 83

Miscellaneous Tobacco Developments. Foreign Ag. Circ. FT-46-55

Competitive Position of the Yugoslav Dried-Prune Industry. Foreign Ag. Rpt. No. 86

New Record July 1 Grain Stocks Reported. Foreign Ag. Circ. FR-20-55

The Status of Casein Production and Trade. Foreign Ag. Circ. FD-10-55

West Germany: Aids to Exports of Agricultural Products. Foreign Ag. Circ. FATP-32-55

LATE NEWS

Intention of the United States to negotiate tariff concessions in 1956 with 25 countries has been announced by the Interdepartmental Committee on Trade Agreements. The Committee has also listed the items on which the United States may grant concessions. Tariff reductions are limited to 15 percent below the January 1, 1955, rate except that rates in excess of 50 percent may be reduced to 50 percent. Anyone interested may present his views on the desirability of such concessions by a brief, or at hearings that will open October 31. Briefs and requests for appearances must be submitted by October 17 to the Committee for Reciprocity Information, U.S. Tariff Commission Building, Washington 25, D.C.

The complete list, which includes certain agricultural commodities, may be found in the Federal Register for September 23, 1955. Copies of the complete list and instructions for submission of briefs may be obtained from the Committee for Reciprocity Information.